

# **Increase Funding for Problem Gambling Services**

## **2017 Legislative Session Talking Points**

*DRAFT Version 8/15/16 (NEEDS SOME UPDATED STATS)*

- **Legislation that created the Revolving Account for the Prevention and Treatment of Problem Gambling needs to be updated to account for changes in the State's gaming industry**
  - Funding for DHHS problem gambling services rely exclusively on the \$2 per slot machine fee that was first enabled over a decade ago (NRS 458A).
  - While the problem gambling service system has developed over the past decade, along with gambling treatment demand, funding for that system has decreased from \$1,700,000 in 2008 to approximately \$1,315,000 for SFY 2016 and 2017.
  - There has been a trend in Nevada's gaming industry away from slot machines with a concurrent trend towards increased revenue from remote/internet gaming and table gaming.
- **Throughout Nevada's recent internet gambling legalization process, problem gambling was a central and important policy concern.**
  - Nevada's Gaming Policy Committee and Gaming Control Board heard testimony from gaming industry experts that a strong problem gambling system must accompany this expansion of gambling in the state – a perspective that was met with enthusiasm from both entities.
  - We need to invest in and develop a robust, effective, and efficient problem gambling system in order to be prepared for these needs in the not too distant future.
- **Problem gambling impacts tens of thousands of Nevadans**
  - About 68,000 adult Nevadans are estimated to meet the criteria for pathological gambling.<sup>i</sup>
  - In addition, this disorder affects countless other family members, children, businesses, and communities.
- **Treating problem and pathological gamblers saves Nevada taxpayer dollars**
  - Problem gamblers report high rates of bankruptcy, divorce, civil and criminal judicial system involvement.<sup>ii</sup>
  - Problem gamblers manifest high rates of mental health problems<sup>iii</sup> and suicide attempts.<sup>iv,v</sup>
  - Problem gambling is associated with loss of productivity due to problems on the job, absences, and workplace disruptions.<sup>vi</sup>

○ **Treatment is effective and inexpensive**

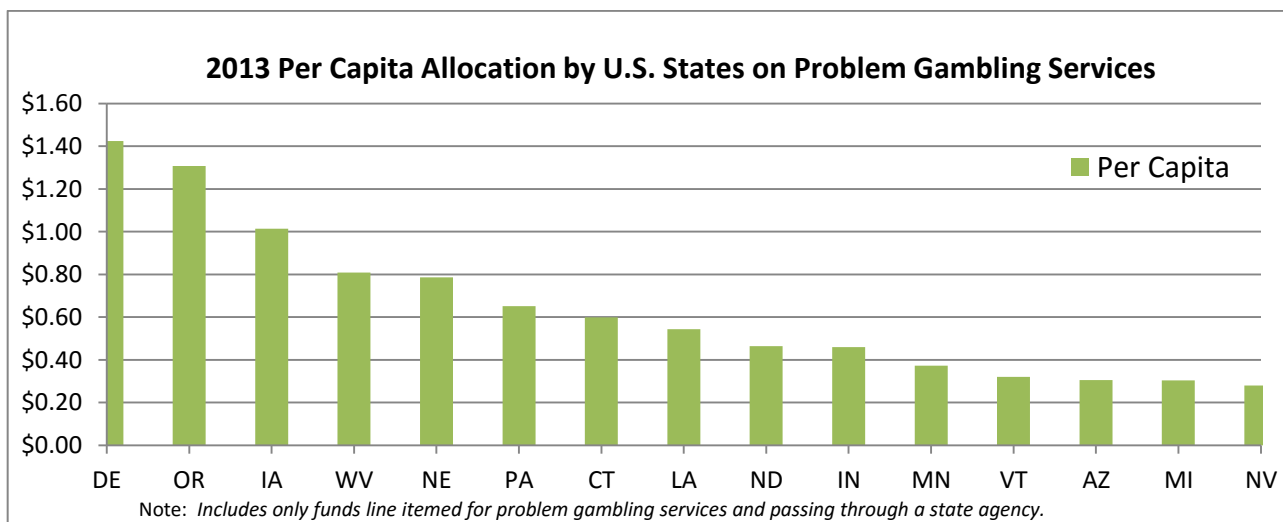
- Gambling treatment saves lives, preserves families, and improves our communities.
- More than 3,000 adult Nevadans have received state-funded treatment since the program originated in 2006.
- UNLV research finds that treatment works for nearly all Nevadans (92%) who receive treatment – 52% quit gambling and 40% reduce their gambling.<sup>vii</sup>
- Nevada’s treatment recipients also report improvements in their financial, housing, family, school, and work lives.
- The average treatment cost per case for FY12 is estimated at only \$1,440.28.

○ **Funding for prevention, workforce development, and research is needed**

- The greatest and most cost-effective impacts will be achieved by funding all components of the service system – treatment, prevention, outreach, workforce education, and research.
- The Governor-appointed Advisory Committee on Problem Gambling developed a “Three Year Strategic Plan for Problem Gambling Treatment Services within the State of Nevada: Fiscal Years 2017 – 2019” to cover all the components of the system. However, the current funding formula for problem gambling services will not result in sufficient funds to fully implement this plan. Investing in the implementation of this plan will save millions in future social costs.

○ **Nevada should play a leadership role in problem gambling prevention and treatment**

- As a “states’ rights” issue, the federal government stays out of gambling regulation – and out of problem gambling services. As such, the federal government provides no direct support for state problem gambling services, and nearly all problem gambling services in the U.S. are state-funded.
- States with far fewer gaming revenues spend many times more on problem gambling services.
- Nevada is a leader in the global gaming industry, and its problem gambling programs should reflect this leadership status.



- 
- <sup>i</sup> Volberg, R (2002). Gambling and Problem Gambling in Nevada: Report to the Nevada Department of Human Resources. Northampton, MA: Gemini Research, LTD.
- <sup>ii</sup> Campbell, C. & Marshall, D. (2007). Gambling and Crime. In G. Smith, D. Hodgins, and R. Williams (Eds), Research and Measurement Issues in Gambling Studies (541-566). Burlington, MA: Elsevier
- <sup>iii</sup> Petry, N. & Weinstock, J. (2007). Comorbidity and Mental Illness. In G. Smith, D. Hodgins, and R. Williams (Eds), Research and Measurement Issues in Gambling Studies (305-322). Burlington, MA: Elsevier
- <sup>iv</sup> Penney, A., Mazmanian, D., Jamieson, J. & Black, N. (2012). Factors associated with recent suicide attempts in clients presenting for addiction treatment. *Int J Ment Health Addiction*. 10:132-140.
- <sup>v</sup> Phillips, D. P., Welty, W. R., & Smith, M. M. (1997). Elevated suicide levels associated with legalized gambling. *Suicide and Life-threatening Behavior*, 27(4), 373.
- <sup>vi</sup> Ladouceur, R., Boisvert, J., P  pin, M., Loranger, M., & Sylvain, C. (1994). Social cost of pathological gambling. *Journal of Gambling Studies*, 10: 4, 399-409.
- <sup>vii</sup> Bernhard, B. et.al. (2010). The Nevada Problem Gambling Project: Follow-up Research. University of Nevada Las Vegas, International Gaming Institute.